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8 Attorneys for Defendants

9 HSBC MORTGAGE CORPORATION (USA) and
HSBC BANK USA, N.A.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 Philip Wong, Frederic Chaussy, and Leslie
Marie Shearn, individually, on behalf of all
14 others similarly situated, and on behalf of
the general public,

15
16 Plaintiffs,

17 v.

18 HSBC Mortgage Corporation (USA);
HSBC Bank USA, N.A.; and DOES 1
19 through 50, inclusive,

20 Defendant.

Case No. C 07 2446 MMC [ECF]

**DECLARATION OF GLORIA LIN IN
OPPOSITION TO PLAINTIFFS' MOTION
FOR CLASS CERTIFICATION UNDER
FED. R. CIV. P. 23**

Date: October 10, 2008
Time: 9:00 a.m.
Courtroom: 7 (19th Floor)
Judge: Hon. Maxine M. Chesney

21
22 I, Gloria Lin, hereby declare and state:

23 1. I have personal knowledge of the facts set forth below. If called as a witness,
24 I would testify to the following.

25 2. Although I go by the name of "Gloria Lin" professionally, I am listed in
26 HSBC Mortgage Corporation (USA)'s records as "Shu Hua Graves."

27 3. I have approximately seven and one-half years of experience in mortgage
28 sales. I am currently employed by HSBC Mortgage Corporation (USA) ("HMCU") as a Retail

1 Mortgage Lending Consultant. I have been employed by HMCU since February 19, 2007. I am
2 assigned to the Southern California Region of HMCU. My manager is Amy Young.

3 4. In my job, I sell loans to residential clients. HMCU does not have any
4 required procedure for how to make sales; how I get business is up to me. I treat my job as my own
5 business where I work independently and use my discretion to meet my own personal goals.

6 5. HMCU does not require me to work any number of hours. I choose how
7 much to work based on how much income I want to earn. I have no set work schedule or hours. I
8 do not have an office that I am required to work from. I decide when and where to work.

9 6. Based on my own experience at HMCU, my observations of my co-workers,
10 and discussions with my co-workers, I can say that the amount of time that HMCU lending
11 consultants work varies. Some people work faster than others and are more organized and able to
12 sell loans faster. Some lending consultants do not find many clients, and some lending consultants
13 have many clients.

14 7. Every day on my job is different. My work hours vary every day. Sometimes
15 I begin working very early in the morning, and sometimes I choose to start working later. Some
16 days I work late, and some days I finish working earlier. If I decide to work less in a particular day
17 or to run a personal errand, I have that flexibility. I just need to ensure that the needs of my clients
18 are met.

19 8. How busy I am also varies based on market conditions. I am more busy
20 during the summer and right after tax season because those are periods when more people purchase
21 houses. I also make more sales when interest rates are lower.

22 9. I work independently with little supervision. I do not see my manager very
23 often. I communicate with my manager by cell phone or emails only when questions arise, or there
24 is otherwise a need to communicate.

25 10. The training I received from HSBC Mortgage included a one week training
26 session in Buffalo, New York at the beginning of my employment. After that, my manager, Amy
27 Young, answered questions I had. Then, I immediately began working to sell loans. There are also
28 on-line training programs for me to do if I chose to do them, although a few training sessions are

1 mandatory. These training sessions do not take up very much time. I am not required to attend any
2 outside training sessions, and I have not chosen to do any outside training.

3 11. We also have divisional meetings by telephone about once a month. The
4 agenda for these meetings includes information about new products and market conditions.
5 Obtaining this information helps me with my sales because it is important to me knowledgeable
6 about the mortgage products we offer.

7 12. I receive referrals from two branches of HSBC Bank USA, N.A. I am the
8 designated HMCU employee to receive referrals from the branches located in San Gabriel and
9 Pasadena, California. HMCU does not require that I spend any particular amount of time at the bank
10 branches, and I do not have any set hours at the banks. Instead, I am in and out of these branches
11 based on when and where I schedule appointments with clients. The bankers at these branches have
12 my cell phone number and email address (I carry a Blackberry) and contact me when they have a
13 client to refer to me. I obtain about 50 to 60% of my sales from referrals made by bankers at these
14 two branches. I also refer my clients to HSBC Bank for their banking and investment needs, so it is
15 a "win win" situation.

16 13. I also obtain 40 to 50% of my sales from sources other than HSBC Bank. A
17 major source of business for me is referrals from other clients. I also get referrals from real estate
18 agents and mortgage brokers. My other sources of business are return clients and friends. Word of
19 mouth is my best form of advertising.

20 14. HSBC Mortgage Corporation does not require me to obtain business in any
21 particular way. I am not required to attend conventions or business development events, and I
22 generally do not attend networking events because I am able to obtain a lot of business from other
23 sources.

24 15. I schedule appointments directly with clients. I like to meet with clients in
25 public places for safety reasons. I sometimes meet with clients at branches of HSBC Bank;
26 however, I also sometimes meet with clients at Starbucks or another public location. On occasion, I
27 meet with clients at their offices as well. I also meet with realtors or clients at realtors' offices about
28 5 or 6 times a year.

1 16. I spend more than 50% of my work time working with clients and engaging in
2 sales activities. I spend about half my time meeting with or talking to clients. I also spend a lot of
3 time communicating with clients about what needs to be done to close the loan, and ensuring that the
4 loan is closed.

5 17. It does not take me very long to complete loan applications. It only takes me
6 about 20 minutes per loan application.

7 18. I send completed loan applications to HSBC Mortgage Corporation's
8 underwriters in Buffalo, New York. After that, I work with clients to ensure that any conditions on
9 the loan approval are met, such as additional documents that need to be submitted.

10 19. The type of loan I usually sell are premier loans, which include loans to high
11 net worth clients who have certain deposit amounts at HSBC Bank. My clients are primarily
12 residential. I principally sell "jumbo" loans, which are mortgages that are \$417,000 or higher. I also
13 sell some conforming loans of lesser amounts, but I am not familiar with and do not sell FHA or
14 other low-income loans. It has always been up to me to decide what types of loan products and/or
15 types of clients on which to focus my activities.

16 20. In working to sell loans to clients, I perform an independent analysis to make
17 recommendations to my clients about what mortgage product they can qualify for and what
18 mortgage product will best suit their needs. I assess clients' financial situations, including income
19 and employment and credit history. I also assess clients' goals, such as how long they are planning
20 to hold on to the property and their desired loan amounts and interest rates. I ask questions to find
21 out if clients are aggressive or conservative with their investments. Based on this information, I use
22 my judgment and discretion to determine what type and amount of mortgage the client will be able
23 to qualify for and what product will meet the client's needs, and I make recommendations to the
24 client and present the client with choices.

25 21. I am permitted to take meal and rest breaks whenever I want. No one has ever
26 told me that I cannot take breaks or otherwise discouraged me from taking a break. I decide when to
27 take breaks, and I decide how long of a break to take. Sometimes, I take 1 or 2 hours for lunch and
28 sometimes I take only 10 or 15 minutes; it is my choice. I am also free to run personal errands or

1 attend personal appointments as needed. No one at HSBC Mortgage checks when I am working or
2 not working because, as I mentioned previously, I work independently.

3 22. I am paid on a draw and incentive commission basis. I receive a certain
4 percentage of each loan I sell that closes. I received a copy of the commission plan at the beginning
5 of the employment. I signed and agreed to the commission plan.

6 23. The first six months of my employment I received a forgivable draw. Now, I
7 am paid every two weeks, but only receive my incentive commissions at the end of each month. My
8 first paycheck of the month is a draw that is later subtracted from my incentive commissions. The
9 amount of my incentive commissions is not determined until the end of the commission period. I
10 receive a report from my manager that details the amount of the mortgages I sold that were funded
11 and the amount of my commission. I have the opportunity to tell my manager if my incentive
12 commissions have been calculated incorrectly, but the calculations have always been correct under
13 the incentive commission plan.

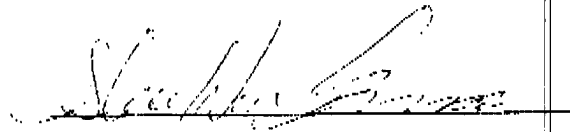
14 24. My income at HMCU is more than \$100,000 per year. I have already earned
15 about \$270,000 in commissions this year. To be very successful in this business, I believe it is
16 necessary to be out in the field developing business rather than sitting in a fixed location or behind a
17 desk, to create and maintain good relationships with bankers and other sources of referrals and to be
18 available to your clients.

19 25. HSBC Mortgage requires lending consultants to collect application fees of
20 \$325 for conforming loans. Jumbo loans have an appraisal fee of \$750, which is used to pay for the
21 property appraisal. If I do not collect the necessary fee, it is my own fault because HSBC Mortgage
22 has made it clear that I must collect the application fee up front by getting the client's credit card
23 information. If I forget to collect the fee, my manager sends me an email instructing me to collect
24 the fee, so it will not be reduce the amount my monthly incentives commissions under the incentive
25 plan.

26 26. I received two written notices from the Plaintiffs' counsel about this lawsuit. I
27 also received one phone call from someone representing the Plaintiffs, who asked if I wanted to join
28 the lawsuit. I just said no. I do not want to join the lawsuit because I think the lawsuit is ridiculous.

1 This job is like having your own business. I love my job. I love the freedom of being able to work
2 whenever and wherever I want. I do not want a 9 to 5 job. No one at HSBC Mortgage has ever
3 pressured me to not join the lawsuit or told me I might lose my job if I join the lawsuit. It is my
4 voluntary and personal choice not to join the lawsuit.

5 I declare under penalty of perjury under the laws of the State of California and the
6 United States of America that the foregoing declaration is true and correct to the best of my personal
7 knowledge. Executed this 19 day of September, 2008, in Tempe City
8 California.

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